



NEWS RELEASE

United States Department of Agriculture • Rural Development
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USDA RURAL DEVELOPMENT INVESTS IN CORRECTIONAL AND REHABILITATION CENTER

Rugby, June 24, 2005. . . Russell T. Davis, administrator for housing programs in Washington, D.C., and Clare Carlson, state director for USDA Rural Development in North Dakota, and other staff members today are on hand for a ribbon cutting ceremony and check presentation for the North Central Correctional and Rehabilitation Center.



A symbolic check for \$5,366,920 is being presented to the board of the North Central Correctional and Rehabilitation Center. The funds will be used to construct a new correctional and rehabilitation center at Rugby.

“This is an example of rural interests identifying a problem, and along with USDA Rural Development gathering the resources defining the problem,” said Carlson.



The proposed North Central Correctional and Rehabilitation Center would be a 124-bed facility with space for general jail population (84 beds) and the remaining space (40 beds) for those undergoing drug rehabilitation.



The project will serve north central North Dakota and include the counties of Pierce, McHenry, Bottineau, and Rolette. Other users are the U. S. Marshall's Service and the Border Patrol. Pierce County and the city of Rugby will locate their local law enforcement offices at the center.



Estimated costs of construction, equipment, and working capital are projected at \$7,652,960. The funding provided by USDA Rural Development includes a Community Facility Loan for \$5,266,920, a Community Facility Pre-development Grant for \$100,000 and a Community Facility Guaranteed Loan for \$1,000,000 from the Merchants Bank of Rugby. The balance of \$1,286,040 will come from other local funding sources.

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The Center will be a boost to the local economy as it has the potential to employ up to several dozen people and provide contract services, mostly with medical personnel, for the drug treatment portion of it.

In Fiscal Year 2004, USDA Rural Development provided over **\$78 million dollars** in loan and grant financing to North Dakota citizens.

USDA Rural Development is the lead federal entity for rural economic and community development needs. It administers financial and technical assistance through a network of state Rural Development offices, various non-profit and educational institutional partners, and its national office.

Further information on these and other rural programs is available at a local USDA Rural Development office or by visiting USDA's web site at <http://www.rurdev.usda.gov>.